

No. 70

DIVISION OF
EUROPEAN AFFAIRS

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JUL 2 1938

RECEIVED
AMERICAN CONSULATE,
Nairobi, Colony of Kenya, Africa.

April 21, 1938.

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To

DIVISION OF
COMMUNICATIONS
AND RECORDS

DEPARTMENT OF STATE

MAY 28 1938

DIVISION OF
NEAR EASTERN AFFAIRS

ADVISER ON POLITICAL RELATIONS
MR. DUNN
JUN 3 1938
DEPARTMENT OF STATE

SUBJECT:

Coffee Production in Ethiopia.

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OFFICE OF THE ADVISER ON
INTERNATIONAL ECONOMIC AFFAIRS

JUL 15 1938

DEPARTMENT OF STATE

THE HONORABLE

THE SECRETARY OF STATE,

WASHINGTON.

To the Field

IL L. S. A.

Commerce

Agriculture

Embassy, Rome

Consulate, Aden

JUN 7 1938

SIR:

As of possible interest to the Department, I have
the honor to quote below a short article appearing in
"The Coffee Board of Kenya Monthly Bulletin" for April,
1938, published at Nairobi.

RECORDING DESK
FILE - C.E.M.
When Italy occupied Ethiopia, coffee
producers in East Africa had visions of
the disorganized production of Abyssinian
coffees being placed on a sound basis,
and it was felt that growers in the Brit-
ish territories would be faced with ex-
panding competition.

Far from this being the case, it ap-
pears that the export of coffee from
Ethiopia has ceased and it is believed
that the Italian authorities are faced
with something in the nature of a "sit
down" strike by the native growers.
While these difficulties may in time be
overcome, it certainly seems that other
growers have for the present nothing to
fear from Abyssinian production.

The U.S.A. used to be a large im-

porter

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^{Aby}porter of Bayssinian coffees, taking over the three years 1932/34 an average of 50,000 bags (60 kilos.) annually; in 1936 the import had dropped to 10,500 bags, while in 1937 less than 3,000 bags were received. If Abyssinian production has remained at about the 1932/34 level, it is obvious that the tonnage that used to be exported to U.S.A. must be going to other markets. The immediate conclusion would be that Italy is receiving these coffees in increased quantities; but examination of Italian import figures fails to confirm this, nor is it possible to trace increased imports of Abyssinian coffee into other markets. Imports of coffee from French Somaliland (i.e. from Djibouti, the chief port of exit for Abyssinian coffees) into the United Kingdom have, according to the Board of Trade, dropped from around 650 tons in 1934 to 250 tons in 1937.

In a recent issue, THE SPICE MILL, of New York, states that if reports current both in London and New York are correct, Ethiopia's trade in coffee has virtually come to a standstill. Coffee production in that country is almost entirely in the hands of natives, all efforts to establish plantations have proved unsuccessful, and it is said that the natives are pursuing a policy of passive resistance, allowing their agricultural lands to lie fallow and harvesting practically no coffee except for their own needs.

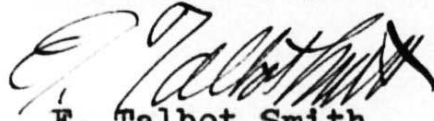
It is also reported that a further deterrent to whatever exportation of this coffee might be possible is found in the new regulations which, with a view to providing more foreign currency, prohibit any firm, Italian or foreign, to export coffee to Italy unless it sells to non-Italian markets according to a designated proportion.

Official reports from Egypt state that no coffee has been exported from Abyssinia this season and that Harar coffee, the local price of which used to

be 50 lire a ferasla, is now being sent to Addis Ababa where the local price is 140 lire a ferasla. This is said to show that the formerly productions regions of Jimma and Sidamo are now producing nothing at all.

A further sidelight on the position, which tends to bear out the suggestion that the Ethiopian coffee industry has in fact broken down, is that Italian interests have recently shown considerable curiosity regarding the organization of the coffee industry in British East Africa. Perhaps these inquirers are collecting information to assist them in setting their Abyssinian coffee house in order".

Respectfully yours,



E. Talbot Smith,
American Consul.

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Original and four copies
to Department of State.

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NOTE

SEE 865d.00/34 FOR Report #44

FROM Naples (McCloud) DATED April 28, 1938
TO NAME 1-1127 uro

REGARDING: Creation and development of foreign markets for
Ethiopian coffee.
Report on what is being done by Italy to promote
the --.

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E. Coffee. The creation and development of foreign markets for Ethiopian coffee is an enterprise upon which Italy counts considerably for the successful outcome of the colony's autarchic endeavors. Under the topical heading "Abolition of Government Restrictions" in this report, one phase of the industry was touched upon. The following additional information may serve to give a fuller understanding of what is being done to promote the exportation of this product.

Natural conditions in Ethiopia are said to favor the growing of good quality coffee in large quantities. The present annual yield is estimated to be approximately 350,000 sacks (i.e. about 20,000 tons) of four well defined types; "Harari" or "Hararino", "Lekemti", "Ginna", and "Sidamo". It is reported that the first type, grown principally in the Gercer region, is mild and particularly palatable to northern Europeans and Americans. Some 7,000 to 8,000 tons of it are produced each year. Emphasis will be placed upon increased production of this type.

In order to sell on foreign markets at a lower than prevailing price Ethiopia will make every effort to reduce production and transportation costs. This will involve a lowering of wages now paid to native workers, - a step already advocated by the Under Secretary for Italian Africa.

Moreover, in this connection, the recent regulations practically abolishing bureaucratic routine and eliminating export duties, mentioned under "Abolition

of Government Restrictions" in this report, ought to contribute substantially .

To gain a definite footing in foreign markets Italian coffee exporters state that it will be necessary to fix and adhere to definite types of coffee; those mentioned (particularly Harari o Hararino) above have been classed as suitable for export and samples of each and grade will be supplied the more important coffee importers abroad. Each shipment of coffee from Abyssinia is to be accompanied by a certificate stating that the order corresponds to the pertinent sample. As a further step toward gaining foreign trade a careful study will be made of any peculiarities as to taste, et cetera, and also as to prevailing credit conditions in the principal coffee markets.

Thus far the details of any plan that may exist for increasing the production of Ethiopian coffee have not come to notice. Apparently current efforts will be devoted entirely to profitably disposing of the annual surplus.

DOCUMENT FILE

NOTE

SEE 865d.50/8 FOR Report #8

FROM Naples (Edwards) DATED Feb.5, 1938
TO NAME 1-1127 GPO

REGARDING:

Coffee production in Ethiopia.

Summary of newspaper article giving information concerning --.

Central File: Decimal File 865D.61333, Internal Affairs Of States, Agriculture., Field Crops. Seeds., Alkaloidal Plants., Italian East Africa, Coffee., Feb. 5, 1938 - Apr. 21, 1938. February 5 - April 21, 1938. MS European Colonialism in the Early 20th Century. National Archives (United States). Archives Unbound, link.gale.com/apps/fdoc/FSC5109727751/FGDSC%3Fu%3Domni%26sid%3Dbokmark-GDSC. Accessed 18 June 2025.